GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:6663
ANSWERED ON:09.05.2000
PRODUCTION OF CHEMICAL FERTILIZERS IN IFFCO
UMMAREDDY VENKATESWARLU

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the Government have found the proposal in regard to the IFFCO factory located in Nellore to produce chemical fertilizers unviable; and

(b) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS

(SHRI RAMESH BAIS)

(a) & (b): The proposal of Indian Farmers Fertiliser Cooperative Limited, (IFFCO), to set up a new ammonia-urea plant in Nellore District of Andhra Pradesh with an annual urea capacity of 7.68 lakh metric tonnes at an estimated capital cost of Rs.1736 crore has been approved `in principle` by the Government, subject to investment appraisal by the Public Investment Board (PIB). Investment appraisal of this project has been undertaken by the PIB in its meeting held on 9.7.99. The project is being processed for taking a final investment decision, taking into account the observations of the PIB regarding the viability of the project, desirability of encouraging use of LNG as feedstock to reduce the incidence of subsidy and the need to stagger the implementation of the proposed projects due to limited demand supply gap forecasts.